

127 - PROPERTY TAX ADMIN STATE GRANT

Operational Summary

Description:

The State-County Property Tax Administration State Grant Program (AB-589) was implemented by the legislature on January 1, 2002. The grant provides funding to help maintain efficient property tax administration, in accordance with legislated guidelines and restrictions.

The Governor eliminated the funding for AB-589 Grant for FY 2005-06, and did not include funding in his proposed FY 2006-07 budget. The Assessor Department has carry-over funds that Orange County received in FY 2003-04 and FY 2004-05. These funds are expected to last through FY 2006-07, and into FY 2007-08, and they are being used to finish the work approved in the contract with the State.

At a Glance:

Total FY 2005-2006 Actual Expenditure + Encumbrance:	3,135,863
Total Final FY 2006-2007	4,338,988
Percent of County General Fund:	N/A
Total Employees:	38.00

Strategic Goals:

- The Assessor will use State-County Property Tax Administration Grant (AB-589) to perform a real property field canvass of the County over a period of several years. The county has undergone significant development since the last field canvass was performed more than 25 years ago, and a physical review is necessary to verify, update and correct property records as needed.
- The Assessment Tax System (ATS) is the central program used by the Orange County Assessor and other property tax administration departments to prepare, deliver and support property tax assessments, billings and collections. ATS is operating on outdated hardware and software systems that must be replaced. A complete reengineering is required to prevent eminent operational and functional obsolescence. The Assessor will fund a portion of this project with State-County Property Tax Administration Grant (AB-589) funds.
- Some grant funds may be used to help meet increasing Department workloads and implement other property tax system enhancements.

Key Outcome Indicators:

Performance Measure	2005 Business Plan	2006 Business Plan	
	Results	Target	How are we doing?
PERFORM REAL PROPERTY FIELD REVIEW. What: Physical review of properties to verify, update and correct property records. Why: Updated and corrected property records ensure accurate assessment as required by law.	Anticipated to complete over 6,000 property reviews.	Continue to perform Real Property Field Reviews as long as funds are available. Expected number of property to be reviewed: 125,000.	The project is moving ahead on schedule and within the funding as available.

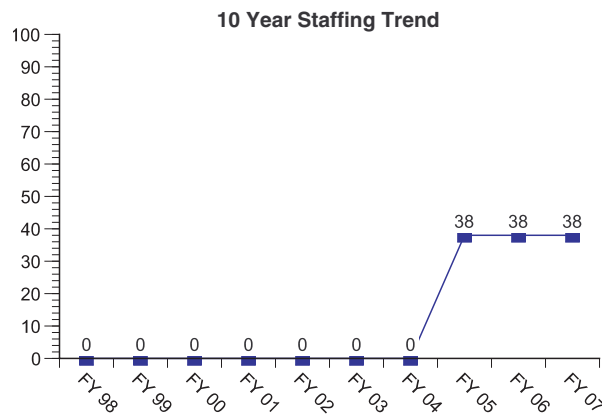
FY 2005-06 Key Project Accomplishments:

- Real Property Field Review: Since July 2005, the department has invested substantial time in training of the field review team, developed an implementation plan, completed pilot field reviews to refine the procedures and is expected to complete over 6,000 property reviews in FY 2005-06. In addition to the field reviews conducted by the team funded directly

under the AB-589 Grant, the Assessor Department also use the same field review elements for another approximately 40,000 properties each year related to transfer and new constructions. This project is moving ahead on schedule and within the funding as appropriate.

- **Business Property Field Review:** Since June 2005, the Assessor Department has completed a review of about 23,000 businesses in Orange County that had not filed or updated their business property statement in the past three (3) years or more.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- All positions funded by the grant are limited-term positions.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Assessor Department recognizes the County's Strategic Priorities and will develop grant programs with input from other property tax administration departments. The Property Tax Administration State Grant will be administered in accordance with the terms and conditions of the grant.

Final Budget History:

Sources and Uses	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual Exp/Rev	Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget	Actual Amount	Percent
Total Positions	38	38	38	38	0	0.00
Total Revenues	13,808,421	11,329,454	11,595,138	4,338,988	(7,256,150)	-62.58
Total Requirements	2,628,967	11,329,454	9,023,019	4,338,988	(4,684,031)	-51.91
Balance	11,179,454	0	2,572,120	0	(2,572,120)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Property Tax Admin State Grant in the Appendix on page A120

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Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2005-2006		Change from FY 2005-2006	
	Actual Exp/Rev		Budget		Actual Exp/Rev ⁽¹⁾		Actual	
			As of 6/30/06		As of 6/30/06		Amount	Percent
Revenue from Use of Money and Property	\$ 151,463	\$	150,000	\$	415,640	\$	203,406	\$ (212,234) -51.06%
Intergovernmental Revenues	6,826,325		0		0		0	0.00
Miscellaneous Revenues	0		0		506		0	(506) -100.00
Total FBA	6,850,640		11,179,454		11,179,454		2,266,062	(8,913,392) -79.73
Reserves	0		0		0		1,869,520	1,869,520 0.00
Reserve For Encumbrances	(20,007)		0		(462)		0	462 -100.00
Total Revenues	13,808,421		11,329,454		11,595,138		4,338,988	(7,256,150) -62.58
Salaries & Benefits	1,785,885		2,894,480		2,347,681		2,251,422	(96,259) -4.10
Services & Supplies	745,857		2,297,185		770,174		1,927,566	1,157,392 150.28
Fixed Assets	97,225		250,000		17,375		160,000	142,625 820.89
Reserves	0		5,887,789		5,887,789		0	(5,887,789) -100.00
Total Requirements	2,628,967		11,329,454		9,023,019		4,338,988	(4,684,031) -51.91
Balance	\$ 11,179,454	\$	0	\$	2,572,120	\$	0	\$ (2,572,120) -100.00%

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.